

Message Text

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INFO OCT-01 ARA-10 EUR-12 EA-09 NEA-10 IO-10 ISO-00 FEA-01

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USMISSION IAEA VIENNA IMMEDIATE

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E.O. 11652: N/A

TAGS: TECH

SUBJECT: NRC ANNOUNCES PROCEDURES FOR CONSIDERING WIDE-SCALE USE OF MIXED OXIDE REACTOR FUEL

REF: A-2467. STATE 180431

1. MISSION REQUESTED TO PASS FOLLOWING TEXT OF PUBLIC ANNOUNCEMENT BY U.S. NUCLEAR REGULATORY COMMISSION TO NRC TECHNICAL NOTIFICATIONS ADDRESSEES PER REFAIR AND REFTEL, AT, OR AS SOON AS POSSIBLE AFTER 10:00 AM (EST), NOVEMBER 12, 1975. (FAR EAST POSTS SHOULD DELIVER AT CLOSE OF BUSINESS THE NIGHT BEFORE, WITH INSTRUCTIONS NOT TO PUBLISH UNTIL 10:00 AM, EST, NOVEMBER 12.) PREVIOUS NRC STATEMENT ON SUBJECT WAS ISSUED MAY 8, 1975. IN ADDITION, MISSIONS WPLL RECEIVE VIA AIRGRAM DDE FOLLOWING SUPPLEMENTARY INFORMATION (A) BACKGROUND AND CHRONOLOGY (B) FACT SHEET. MISSIONS REQUESTED TO PASS SUPPLEMENTAL INFORMATION TO TECHNICAL ADDRESSEES ALSO. PERTINENT WASHINGTON EMBASSIES ARE BEING PROVIDED IDENTICAL INFORMATION.

2. ON NOVEMBER 12, THE NUCLEAR REGULATORY COMMISSION ANNOUNCED ITS PROCEDURES FOR DECIDING--POSSIBLY BY EARLY 1977--WHETHER TO PERMIT WIDE-SCALE USE OF PLUTONIUM MIXED WITH URANIUM TO FUEL NUCLEAR POWER PLANTS, AND PROCEDURES

FOR RELATED INTERIM LICENSING ACTIVITIES PENDING THAT DECISION.

3. CHAIRMAN WILLIAM A. ANDERS SAID IN A STATEMENT ON THE NRC'S ACTION: "WE BELIEVE THE PROCEDURES WE HAVE ADOPTED MAY ENABLE THE COMMISSION TO MAKE A FINAL DECISION ON THE MIXED OXIDE FUEL QUESTION AS MUCH AS 18 MONTHS EARLIER THAN PREVIOUSLY EXPECTED, AND AT THE SAME TIME PROVIDE THE PUBLIC AND THE NUCLEAR INDUSTRY WITH FULL OPPORTUNITY TO PARTICIPATE IN THIS DECISION. IN FACT, THE PROCEDURES WE UNCLASSIFIED

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HAVE ANNOUNCED REFLECT BROAD INPUT FROM THE PUBLIC. WE RECEIVED COMMENTS FROM MORE THAN 200 ORGANIZATIONS AND INDIVIDUALS, AND THESE WERE CAREFULLY CONSIDERED BY THE COMMISSIONERS AND THE SENIOR STAFF IN REACHING OUR POSITION ON THIS IMPORTANT MATTER."

4. PLUTONIUM IS PRODUCED IN THE URANIUM FUEL OF NUCLEAR PLANTS DURING NORMAL OPERATION, AND COULD BE EXTRACTED WHEN THE FUEL IS REPROCESSED. THIS RECYCLED PLUTONIUM THEN COULD BE BLENDED WITH URANIUM AND FABRICATED INTO MIXED OXIDE FUEL. INDUSTRY HAS FOR SOME YEARS CONTEMPLATED USING SUCH MIXED OXIDE FUELS FOR LIGHT WATER COOLED NUCLEAR POWER PLANTS. LAST MAY 8, THE NRC ANNOUNCED, FOR PUBLIC COMMENT, A PROVISIONAL VIEW THAT THE FINAL DECISION

ON WHETHER TO AUTHORIZE SUCH USE OF PLUTONIUM SHOULD NOT BE MADE UNTIL AFTER SAFEGUARD ALTERNATIVES HAD BEEN EXAMINED IN DETAIL.

5. HIGHLIGHTS OF THE COMMISSION'S ACTION ON NOVEMBER 12, 1975, ARE:

(A) A COST-BENEFIT ANALYSIS OF ALTERNATIVE SAFEGUARDS PROGRAMS FOR MIXED OXIDE FUEL WILL BE PREPARED ON AN EXPEDITED SCHEDULE AS A SUPPLEMENT TO THE DRAFT ENVIRONMENTAL IMPACT STATEMENT PUBLISHED BY THE FORMER ATOMIC ENERGY COMMISSION IN AUGUST 1974. THE DRAFT COST-BENEFIT ANALYSIS SHOULD BE COMPLETED EARLY NEXT YEAR. IN THE MEANTIME, A PARTIAL FINAL STATEMENT ON HEALTH AND SAFETY AND ENVIRONMENTAL MATTERS WILL BE PREPARED BASED ON THE NON-SAFEGUARDS PORTIONS OF THE DRAFT ENVIRONMENTAL STATEMENT AND ANALYSIS OF PUBLIC COMMENTS. THIS ALSO SHOULD BE COMPLETED EARLY NEXT YEAR. THE FINAL PORTION OF THE IMPACT STATEMENT, EXPECTED IN MID-1976, WILL INCLUDE THE NRC COST-BENEFIT ANALYSIS ON SAFEGUARDS AND THE OVERALL COST-BENEFIT BALANCE ON THE WIDE-SCALE USE OF MIXED OXIDE FUEL FOR LIGHT WATER NUCLEAR POWER PLANTS.

(B) PROPOSED RULES RELATING TO THE POSSIBLE WIDE-SCALE USE OF MIXED OXIDE FUEL WILL BE PUBLISHED FOR COMMENT AS FINAL PORTIONS OF THE ENVIRONMENTAL STATEMENT ARE ISSUED.

THE COMMISSION EXPECTS TO ISSUE THE FINAL RULES AT THE UNCLASSIFIED

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TIME OF ITS DECISION ON WIDE-SCALE USE.

(C) THE PUBLIC WILL HAVE THE OPPORTUNITY TO PARTICIPATE IN THE DECISIONAL PROCESS OF THE COMMISSION NOT ONLY BY SUBMITTING WRITTEN COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROPOSED RULES, BUT ALSO BY PARTICIPATING IN THE PUBLIC HEARINGS WHICH WILL BE HELD ON THE FINAL IMPACT STATEMENT AND ON ANY IMPLEMENTING RULES. THE COMMISSION PLANS TO START THESE LEGISLATIVE-TYPE HEARINGS AS SOON AS PRACTICABLE AFTER ISSUANCE OF THE NON-SAFEGUARDS PORTION OF THE FINAL STATEMENT EARLY IN 1976.

THESE LEGISLATIVE-TYPE HEARINGS MAY BE FOLLOWED BY ADJUDICATORY-TYPE HEARINGS ON PARTICULAR ISSUES IF NEED FOR FURTHER HEARINGS IS DEMONSTRATED TO THE COMMISSION.

(D) THE NRC STAFF WILL CONTINUE REVIEWING APPLICATIONS ALREADY SUBMITTED FOR MIXED OXIDE FUEL RELATED ACTIVITIES, AND WILL COMMENCE REVIEW OF ANY NEW APPLICATIONS RECEIVED.

(E) ELIGIBILITY CRITERIA HAVE BEEN ESTABLISHED FOR CONSIDERING THE INTERIM LICENSING OF RELATED FUEL CYCLE ACTIVITIES SUCH AS FUEL REPROCESSING AND MIXED OXIDE FUEL FABRICATION. THE COMMISSION NOTED THAT IN THE UNITED STATES, VERY LITTLE MIXED OXIDE FUEL IS BEING FABRICATED, AND AT PRESENT THERE ARE NO OPERATING FACILITIES FOR REPROCESSING OF COMMERCIAL FUEL. THUS, EVEN ASSUMING ALL

LICENSE APPLICANT CONSTRUCTION SCHEDULES ARE MET AND NECESSARY NRC APPROVALS ARE FORTHCOMING, IT IS NOT LIKELY THAT THERE COULD BE ANY SUBSTANTIAL USE OF MIXED OXIDE FUEL BEFORE THE EARLY TO MID-1980S. THE COMMISSION HAS DETERMINED THAT LICENSING DECISIONS CONCERNING THESE FUEL CYCLE ACTIVITIES SHOULD BE MADE WITHIN THE CONTEXT OF INDIVIDUAL LICENSING PROCEEDINGS, BASED UPON ANALYSIS AND BALANCING OF ELIGIBILITY CRITERIA WHICH THE COMMISSION HAS ESTABLISHED. THESE CRITERIA ARE IN ADDITION TO REQUIREMENTS FOR PROTECTION OF PUBLIC HEALTH AND SAFETY, COMMON DEFENSE AND SECURITY, AND THE ENVIRONMENT. THEY REQUIRE CONSIDERATION OF THE DEGREE OF DEPENDENCY OF THE ACTIVITY ON WIDE-SCALE USE OF MIXED OXIDE FUEL, POSSIBLE FORECLOSURE OF SAFEGUARDS ALTERNATIVES, AND THE IMPACT OF DELAY IN THE CONDUCT OF THE ACTIVITY ON THE OVERALL PUBLIC INTEREST. THE COMMISSION NOTED THAT EXPERIENCE AND CONTINUING STUDY MAY INDICATE AREAS WHERE CHANGES IN ITS REGULATIONS MAY BE MADE. HOWEVER, THE COMMISSION STATED UNCLASSIFIED

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ITS CONFIDENCE THAT THE CURRENT SAFEGUARDS FRAMEWORK IS ADEQUATE FOR EXISTING PLANTS AND FACILITIES AND FOR INTERIM LICENSING OF FACILITIES TO CHEMICALLY SEPARATE SPENT FUEL AND TO CONVERT RECOVERED URANIUM TO A USABLE FORM, AS WELL AS FOR ASSOCIATED TRANSPORTATION LINKS-UPGRADED SAFEGUARDS REQUIREMENTS, HOWEVER, MAY BE IMPOSED IN ANY INTERIM LICENSING OF FACILITIES WHICH CONVERT

RECOVERED PLUTONIUM TO A USABLE FORM AND WHICH FABRICATE MIXED OXIDE FUEL. THE COMMISSION EXPECTS TO PUBLISH INTERIM PROPOSED SAFEGUARDS RULES FOR THESE PARTICULAR ACTIVITIES WHEN IT PUBLISHES THE DRAFT SAFEGUARDS SUPPLEMENT IN EARLY 1976. FINAL INTERIM RULES WILL BE PUBLISHED AT THE TIME OF THE FINAL PORTION OF THE STATEMENT IN MID-1976, AFTER CONSIDERATION OF PUBLIC COMMENTS ON THE PROPOSED INTERIM RULES AND THE DRAFT SAFEGUARDS SUPPLEMENT.

(F) OPERATING LICENSES AND AMENDMENTS TO OPERATING LICENSES MAY BE ISSUED WHICH AUTHORIZE THE INTERIM USE OF MIXED OXIDE FUEL IN LIGHT WATER REACTORS. THE COMMISSION BELIEVES THAT SUCH USE WOULD PRODUCE USEFUL ADDITIONAL TECHNICAL AND ECONOMIC DATA REGARDING THE USE OF THE FUEL. THE COMMISSION NOTED THAT THE USE OF MIXED OXIDE FUEL IN LIGHT WATER REACTORS IN THE INTERIM PERIOD WOULD FALL FAR SHORT OF WIDE-SCALE USE, BECAUSE OF THE LIMITED MIXED OXIDE FUEL FABRICATION CAPACITY THAT WILL BE AVAILABLE. THE SAME CONSTRAINTS WOULD LIMIT EXPORT AND IMPORT ACTIVITY DURING THE INTERIM PERIOD.

6. THE PROCEDURES AND EXPEDITED TIME SCHEDULE ARE DESIGNED TO ENABLE THE COMMISSION TO REACH ITS FINAL DECISION POSSIBLY BY EARLY 1977, SOME 18 MONTHS EARLIER THAN THE DATE PROJECTED IN THE NRC'S MAY 8 PROVISIONAL VIEW.

7. IN ITS DECISION, THE COMMISSION SAID: "IN CONSIDERING AND ARRIVING AT ITS VARIOUS DETERMINATIONS, THE COMMISSION WAS MOTIVATED BY SEVERAL BASIC POLICY OBJECTIVES IN CARRYING OUT ITS RESPONSIBILITIES UNDER THE ATOMIC ENERGY ACT AND THE NATIONAL ENVIRONMENTAL POLICY ACT. IN KEEPING WITH ITS GENERAL APPROACH TO REGULATORY MATTERS, IT SOUGHT TO STRUCTURE A DECISIONAL PROCESS WHICH WILL ASSURE THOROUGH CONSIDERATION OF ALL SALIENT UNCLASSIFIED

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FACTORS, AND ACHIEVE THIS AS EXPEDITIOUSLY AS PRACTICABLE. IT WAS THE COMMISSION'S COMPANION OBJECTIVE THAT THIS DECISION PROCESS RESULT IN DETERMINATIONS THAT ARE SUFFICIENTLY DEFINITIVE AND WELL-FOUNDED TO ALLOW FIRM PLANNING BY THE NUCLEAR INDUSTRY. FURTHER, THE COMMISSION WAS MINDFUL OF THE NEED FOR SOUND GUIDELINES TO PROVIDE FOR SUCH INTERIM LICENSING AS IS COMPATIBLE WITH THE COMMISSION'S DECISIONAL COURSE AND CONSISTENT WITH THE OVER-ALL PUBLIC INTEREST."

8. WITH RESPECT TO INTERIM LICENSING, THE COMMISSION SAID: "IN REACHING ITS GENERAL CONCLUSION THAT INDIVIDUAL INTERIM LICENSES MAY BE ISSUED WHERE WARRANTED, AND UNDER THE SPECIFIC CONDITIONS DISCUSSED IN THIS NOTICE, THE COMMISSION ASSESSED THE LIKELY BENEFITS OF ALLOWING SUCH INTERIM LICENSING AS WELL AS THE POSSIBLE ADVERSE IMPACTS. HERE,

AS IN OTHER DECISIONAL AREAS, THE NEED FOR CAREFUL BALANCE WAS EVIDENT. WHILE THE COMMISSION IS PROPERLY MINDFUL THAT CERTAIN LICENSING ACTIONS HAVE THE POTENTIAL FOR FORECLOSING SUBSEQUENT ALTERNATIVES, IT CANNOT DISREGARD THE EQUALLY HARD REALITY THAT INACTION OR A BLANKET PROHIBITION ON FUEL RECYCLE LICENSING ACTIONS COULD ALSO FORECLOSE OR SUBSTANTIALLY IMPEDE REALIZATION OF ENERGY ALTERNATIVES WHICH MAY CONTRIBUTE SIGNIFICANTLY TO MEETING NATIONAL NEEDS."

9. THE COMMISSION NOTED THAT THE PRESIDENT'S COUNCIL ON ENVIRONMENTAL QUALITY HAS RECOMMENDED THAT A SAFEGUARDS PROGRAM COST-BENEFIT ANALYSIS PRECEDE FINAL COMMISSION ACTION ON THE ULTIMATE WIDE-SCALE USE OF MIXED OXIDE FUEL.

10. THE COMMISSION SAID THAT IT BELIEVES ITS DETERMINATIONS ARE RESPONSIVE TO THE NEED FOR SOUND AND EXPEDITIOUS REGULATORY DECISIONS IN CARRYING OUT ITS RESPONSIBILITIES UNDER THE ATOMIC ENERGY ACT AND THE NATIONAL ENVIRONMENTAL POLICY ACT.

11. THE COMMISSION'S DECISION WILL BE PUBLISHED IN THE FEDERAL REGISTER. INGERSOLL

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